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TR.A. DOCKET ROOM

June 28, 2005

Hon. Pat Miller, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

Re: *Application for Approval of the Transfer of Control of Cypress
Communications Operating Company, Inc. from Cypress Communications
Holding Co., Inc. to TechInvest Holding Company, Inc.*
Docket No. 04-00417

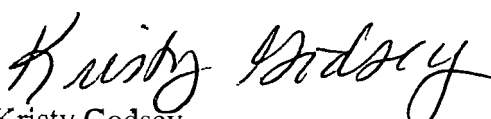
Dear Chairman Miller:

Enclosed please find the original and fourteen (14) copies of the Federal Communications Commission's Public Notice granting the Applications for Transfer of Control filed by Cypress Communications Holding Co., Inc. and TechInvest Holding Company, Inc.

If you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: 
Kristy Godsey

KG/djc
Enclosure



PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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DA 05-1850
Released: June 28, 2005

AUTHORIZATIONS GRANTED

APPLICATIONS FOR TRANSFER OF CONTROL DOMESTIC AND INTERNATIONAL SECTION 214 AUTHORIZATIONS HELD BY CYPRESS COMMUNICATIONS OPERATING COMPANY, LLC.

WC Docket No. 04-418
ITC-T/C-20041112-00448

By the Chief, International Bureau and Chief, Wireline Competition Bureau:

On November 12, 2004, Cypress Communications Holding Co., Inc. ("Cypress Holding") and TechInvest Holding Company, Inc. ("THC") (together, the "Applicants"), filed applications pursuant to section 214 of the Communications Act of 1934, **as** amended ("the Act").¹ The unopposed applications seek Commission approval to transfer control of Cypress Communications Operating Company, LLC. ("Cypress Operating"), an indirect subsidiary of Cypress Holding, to THC, which **is** an indirect subsidiary of Arcapita Bank, B.S.C.(c), a joint stock company organized under the laws of the Kingdom of Bahrain.³ These applications pertain to domestic and international section 214 authorizations.

¹ 47 U.S.C. § 214 On November 19, 2004, the Commission placed the application for the domestic section 214 authorization on public notice *Domestic Section 214 Application Filed for Transfer of Control of Cypress Communications Operating Company, Inc., Streamlined Pleading Cycle Established*, WC Docket No. 04-417 [sic], Public Notice, DA 04-3667 (rel. Nov. 19, 2004). The application regarding the international section 214 authorization was placed on public notice on December 23, 2004. *Non Streamlined International Applications Accepted for Filing*, Public Notice, Report No. TEL-00864NS (rel. Dec. 23, 2004). The Applicants subsequently amended the applications. See letter from Joan M. Griffin, counsel for THC, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 04-418, File No. ITC-T/C-20041112-00448 (dated Jan. 13, 2005), letter from Joan M. Griffin, counsel for THC, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 04-418, File No. ITC-T/C-20041112-00448 (dated Mar. 29, 2005).

² Subsequent to the filing of the applications, Cypress Communications Operating Company, Inc. changed its name to Cypress Communications Operating Company, LLC. See letter from Paul O. Gagnier, counsel for Cypress Holding, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 04-418, File No. ITC-T/C-20041112-00448 (dated Feb. 2, 2005).

³ Arcapita Bank will control Cypress Operating. In the United States, Arcapita Bank operates through Arcapita Inc., which is a wholly-owned, indirect subsidiary of Arcapita Bank. The voting interests in THC will be held in equal shares by five individuals, all of whom are U.S. citizens. Those individuals will each grant to Arcapita Investment Management Limited ("AIM") a revocable proxy to vote the voting stock of THC and make all major

On December 3, 2004, the United States Department of Homeland Security (“DHS”), and United States Department of Justice (“DOJ”), including the Federal Bureau of Investigation (“FBI”) (collectively, the “Executive Branch Agencies”), with the consent of Cypress Holding and THC, submitted a petition requesting that the Commission defer grant of these applications until potential national security, law enforcement, and public safety issues have been addressed by the parties.⁴ Subsequently, on June 21, 2005, the Applicants and the Executive Branch Agencies submitted a Joint Petition to Adopt Conditions to Authorizations and Licenses (“Joint Petition”).⁵ In the Joint Petition, the Executive Branch Agencies advised the Commission that they do not object to the grant of the instant applications, provided that the Commission conditions such grant on compliance with the terms of the June 17, 2005 agreement reached between the Executive Branch Agencies and the Department of the Treasury, and Cypress Holding, THC, Arcapita Investment Management Limited, and Arcapita Bank B.S.C.(c) (the “Cypress Agreement”)

Consistent with Commission precedent, the Wireline Competition Bureau and the International Bureau accord the appropriate level of deference to the Executive Branch Agencies’ expertise on national security and law enforcement issues.⁶ The Executive Branch Agencies state that the commitments set forth in the Cypress Agreement address their concerns regarding national security, law enforcement, and public safety.’ Accordingly, we grant the Joint Petition filed by the Executive Branch Agencies and the Applicants, and grant the subject applications subject to compliance with the terms of the Cypress Agreement.

decisions with respect to voting the stock on their behalf. AIM is a wholly-owned subsidiary of Arcapita Bank. Subsequent to filing the applications, the Applicants notified the Commission of changes to the names of the parent companies of Cypress Operating, Cypress Holding and THC. Previously, Arcapita Bank was known as First Islamic Investment Bank B.S.C (c), AIM was known as First Islamic Investment Management; and Arcapita Inc was known as Crescent Capital Investments, Inc. See letter from Joan M. Griffin, counsel for THC, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 04-418, File No. ITC-T/C-20041112-00448 (dated Mar. 21, 2005).

⁴ Department of Justice, Federal Bureau of Investigation, Department of Homeland Security, Petition to Defer, WC Docket No. 04-418, ITC-T/C-20041112-00448 at 2 (dated Dec. 3, 2004). On December 16, 2004, the Wireline Competition Bureau removed the domestic section 214 application from streamlined processing, pursuant to the request from the Executive Branch Agencies. ***Notice of Removal of Domestic Section 214 Application from Streamlined Treatment***, WC Docket No. 04-418, Public Notice, DA 04-3945 (rel. Dec. 16, 2004).

⁵ Joint Petition to Adopt Conditions to Authorizations and Licenses, IB File No. ITC-T/C-20041112-00448, WC Docket No. 04-417 [sic], (dated June 21, 2005).

⁶ The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. See ***Rules and Policies on Foreign Participation in the U.S. Telecommunications Market***, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-921, paras. 61-66 (1997), Order on Reconsideration, 15 FCC Rcd 18158 (2000) (“***Foreign Participation Order***”). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *Id.*

⁷ See Joint Petition at 2-3.

The International Bureau and the Wireline Competition Bureau find that grant of the Applications, subject to the condition set forth in this Public Notice, will serve the public interest, convenience, and necessity.* Specifically, in accordance with the request of the Executive Branch Agencies, in the absence of any objection from the Applicants, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.261 and 0.291 of the Commission's rules,⁹ the Bureaus hereby grant the applications conditioned on compliance with the commitments set forth in the Cypress Agreement¹⁰

Within 30 days of consummation, the Commission shall be notified by letter of the date of consummation and the file numbers of the applications involved in the transaction." Failure to comply with all relevant Commission rules, policies, or any specific condition to the grant of these applications will result in automatic rescission of the Commission's approval, dismissal of the underlying applications, and could subject the applications to enforcement action, including but not limited to the imposition of forfeitures.

Pursuant to section 1.103 of the Commission's rules, the grant is effective upon release of this Public Notice.¹² Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules may be filed within 30 days of this Public Notice.¹³

– FCC –

⁸ 47 U.S.C. § 214(a)

⁹ 47 C.F.R. §§ 0.261, 0.291. Upon consummation of the transaction, the Applicants will have a market share in the U.S. interstate interexchange market of less than 10 percent, and will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier in the U.S. that is not a party to the transaction. In addition, no party to this transaction is dominant with respect to any domestic service.

¹⁰ The Cypress Agreement and the Joint Petition to Adopt Conditions to Authorizations and Licenses submitted in WC Docket No. 04-418 and File No. ITC-T/C-20041112-00448 by the Applicants and the Executive Branch dated June 21, 2005, which petition we here grant, is publicly available in the record of this proceeding and may be viewed through the Commission's Electronic Comment Filing System (ECFS) by searching Docket No. 04-418 and through the Commission's International Bureau Filing System (MyIBFS) by searching ITC-T/C-20041112-00448.

¹¹ 47 C.F.R. § 63.24(e)(4)

¹² 47 C.F.R. § 1.103

¹³ 47 C.F.R. §§ 1.106, 1.115